

U.S. Department of Justice



United States Attorney
Southern District of New York

The Silvio J. Mollo Building
One Saint Andrew's Plaza
New York, New York 10007

June 25, 2007

Honorable Colleen McMahon
United States District Judge
United States District Courthouse
300 Quarropas Street, Room 533
White Plains, New York 10601

USDS SDNY
DOCUMENT
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DOC #:
DATE FILED: 4/18/08

Re: United States v. US v. James Marquez
Docket No. 60 CR 1138

United States v. Daniel Marino
Docket No. 05 CR 1036

United States v. Samuel Israel
Docket No. 05 CR 1039

Dear Judge McMahon:

Please find enclosed 2 Victim Impact Statements for the above-captioned case scheduled for sentencing July 13th, 2007 (James Marquez), July 20th, 2007 (Daniel Marino), and September 21st, 2007 (Samuel Israel), respectively.

Thank you for your attention.

Very truly yours,

MICHAEL J. GARCIA
United States Attorney

By:

A handwritten signature in cursive script, reading "Wendy Olsen Clancy", is written over a horizontal line.

Wendy Olsen Clancy
Victim Witness Coordinator
(212) 637-1028

Enclosures:

cc: Assistant United States Attorney Margery Feinzig, with attachments
United States Probation Officer Johnny Kim, with attachments
Andrew Bruce Bowman, Esq., w/attachments
Lawrence Bader, Esq., w/attachments
Stanley J. Twardy, Jr., Esq., w/attachments

**SAMUEL CHRISTEN
4 TERRACE PLACE
RANCHO MIRAGE, CA 92270
TEL: (760) 328 0921**

May 5, 2007

United States Attorney's Office
Southern District of New York
One St Andrew's Plaza
New York, N.Y. 10007

Attn: Wendy Olsen

Re: Bayou Defendant's Sentencing

Dear Ms. Olsen:

My name is Samuel Christen, one of the defrauded investors in The Bayou Fund. My Victim's Identification Number is 1294426 and my Personal Identification Number is 3052.

I wish to express to the judge my earnest wish that the three defendants to be sentenced, JAMES MARQUEZ, SAMUEL ISRAEL, AND DANIEL MARINO, receive the maximum time in prison that the law allows.

I would beg the court to ensure all personal property and wealth of these individuals is also investigated, seized, and added to the funds now held by the government for distribution to the defrauded investors. Hopefully, this court can convince the Federal Department of Justice Restitution Arm to hold all these funds until the current litigation is completed, then distribute them properly on a pro-rata basis. The government should not distribute any funds at this time, (which the current Bayou receiver's say is the government's plan).

These individuals have caused great damage to my retirement savings through a pattern of fraud and betrayal of investors from 1996 through 2005. The record clearly demonstrates that they spent a vast majority of these years in concocting fraudulent documents, creating sham accounting firms, publishing false client updates, and participating in "conference calls" with investors that were a total lie. Obviously, little or no time was left to invest client's funds in a prudent manner.

Two hundred fifty million dollars have vanished in this fraud, and the defendants siphoned off a great deal of this money for their own purposes in addition to losing millions in ill-advised market trades. Mr. Marino and Mr. Israel, in particular, falsified their backgrounds to lure investors into their scheme.

Additional millions of dollars are now being spent on legal expenses as the various groups of defrauded investors are looking to each other to collect missing investment dollars.

My retirement faces ruin due to these defendants. A lifetime of working and saving are

now at risk. I have adopted my eight year old grandson due to parental neglect, and now may not have the ability, at age 66, to educate him properly as well as fulfill his other needs.

Emotionally, these thieves have caused me great damage and further exacerbation of a severe cardiac problem, for which I am under a physician's care. I don't know how long I have left on this earth, but insist that justice be done.

Please give these thieves the maximum sentence the law will allow.

Respectfully,



Samuel E. Christen

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June 11, 2007

Via FedEx

Ms. Sharon Levin, Esq.
Assistant United States Attorney
United States Attorney's Office
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One St. Andrews Plaza
New York, New York 10007

Ms. Wendy Olsen
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Ms. Katrina Minus-Shepard
United States Probation Officer
United States Attorney's Office
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One St. Andrews Plaza
New York, New York 10007

Mr. Johnny Kim
United States Probation Officer
United States Attorney's Office
Southern District of New York
One St. Andrews Plaza
New York, New York 10007

Re: U.S. v. Samuel Israel III (05CR1039)
U.S. v. Daniel E. Marino (05CR1036)
U.S. v. James Marquez (05CR1138)

Dear Ms. Levin, Ms. Olsen, Ms. Minus-Shepard and Mr. Kim:

We are writing to you on behalf of Judith and Stephen Pomerance who invested in one or more of the Bayou hedge funds operated by the defendants in the above-referenced cases. Stephen Pomerance invested the sum of \$300,000 through an IRA account that has not been redeemed and which still remains with Bayou. As a result, this letter is to confirm that Stephen Pomerance is listed as a victim of the above-referenced defendants with a claim in the amount of at least \$300,000.

In addition, the Pomerances established the Pomerance Family Trust purely as an estate planning tool for investing their retirement savings. The Pomerances withdrew \$259,700.00 of their investment in Bayou through the Pomerance Family Trust. We understand that the law firms of (i) Sonnenschein Nath & Rosenthal LLP (ii) Kramer Levin Naftalis &

Fried, Frank, Harris, Shriver & Jacobson LLP

June 11, 2007

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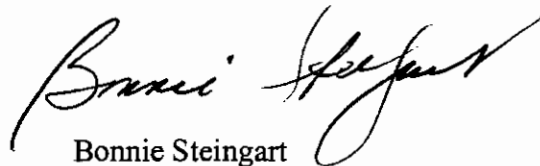
Frankel LLP and (iii) Schulte Roth & Zabel LLP have communicated with your office on behalf of more than 80 investors regarding the procedure for the distribution of the forfeited assets in the above-referenced cases. We are writing this letter to notify your office that, on behalf of the Pomerances, we join in the same concerns as the above-mentioned firms with respect to the funds to be distributed to victims of the Bayou hedge funds and their availability for the Pomerances as well.

The debtors in the bankruptcy cases of *In re Bayou Group, LLC, et al.* (the "Bayou Debtors") have sued the Pomerance Family Trust, among many others, seeking the return to the Bayou bankruptcy estate of the \$259,700.00 in redemption payments made by Bayou to the Pomerances, plus interest and attorney's fees, alleging that such payments were fraudulent transfers. While the Pomerances believe that they have meritorious defenses to this claim, there is always the possibility that they may be required to return all or a portion of their redemption payments. To that extent, in addition to the \$300,000 that still remains invested in Bayou, they will have suffered losses as a result of Bayou's crimes no less than any other Bayou investor and deserve to be compensated from the forfeited assets that your office will be distributing to victims. In that regard, we respectfully request that the Pomerance Family Trust be listed as victims of the above-referenced defendants with contingent claims in the amount \$259,700.00 and that any distribution plan establish appropriate reserves in the full amount for which the Investors are being sued by the Bayou Debtors. In addition, we respectfully request that we be provided with notice and an opportunity to be heard for any order of restitution that may be entered in the above-referenced or related cases.

The mailing address for the Pomerances is 22421 Dardenne Street, Calabasas, CA 91302

Thank you for your consideration of these issues which are of great significance to the Pomerances. We are available at your convenience to discuss or provide you with any additional information that would assist you in addressing these issues.

Sincerely,

A handwritten signature in black ink, appearing to read "Bonnie Steingart", is written over a horizontal line.

Bonnie Steingart

586533

BS:pr